



RAILROAD COMMISSION OF TEXAS

SURFACE MINING AND RECLAMATION DIVISION

February 24, 2009

Mr. Josh Leftwich
Environmental Manager
Uranium Energy Corporation (UEC)
400 Mann Street, Suite 900
Corpus Christi, Texas 78401

RE: Weesatche Project, Goliad County
Uranium Exploration Permit No. 123B
Inspection Report

Dear Mr. Leftwich:

Enclosed is a copy of the report for the inspection completed on February 20, 2009, at UEC's Weesatche Project, Goliad County.

If you have any questions, please contact me at (512) 305-8813.

Sincerely,

A handwritten signature in blue ink that reads "Mark Schlimgen".

Mark Schlimgen, Manager
Inspection and Enforcement

MS/sdj
Enclosure



RAILROAD COMMISSION OF TEXAS

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URANIUM EXPLORATION INSPECTION REPORT

Project Name: Weesatche Permit Number: 123B

Permittee: UEC County: Goliad

Industry Representative(s) Present: John Pollock

Inspector: Steve Meadows Date of Inspection: February 20, 2009

I. Field Conditions and Data Collection

Samples Collected: No ☒ Yes ☐ Sample Type: Water ☐ Soil ☐ Vegetation ☐

Average Temperature 75 Soil Condition Dry Date Last Rainfall N/A Wind Direction/
Velocity (Est.) Calm

Photographs Attached: No ☐ Yes ☒ (Complete Section IV)

II. Enforcement Action Taken

Notice of Violation Issued: No ☒ Yes ☐ NOV No. _____

Cessation Order Issued: No ☒ Yes ☐ CO No. _____



Steve Meadows

02/23/2009

Inspector Signature

Date

Mark Salinger

2-23-2009

Reviewing Supervisor Signature

Date

Project Name: Weesatche
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III. Comments – Inspection Narrative

- Document the area of the permit inspected
- Discuss observations made during the inspection
- Document the results of any field tests taken
- Provide a summary of any discussions with industry representatives, along with results, and expectations from those discussions
- Describe any enforcement action taken during the inspection, along with facts or evidence supporting the enforcement action

The completion of the cased well referred to as #32201 Lagarto comprised the only drilling activity on UEC Permit No. 123B since the previous inspection. Site restoration at the drilling location is near completion requiring only final contouring. Photos 1-3 document the progress of restoration from active drilling to the site's current status.

The site restoration of several drilling locations on the #P1-07 Jacobs was also inspected. Photos 4-9 document typical examples of borehole locations in this area with photos from previous inspections and the sites current appearance. Very dry conditions during the last 6 months have impeded re-vegetation somewhat, but the sites exhibit proper re-contouring with no evidence of drilling by-products on the surface. Future inspections will focus on site restoration in other sections of the permitted area.

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VI. Photographs



Photo 1: #32201 Lagarto cased well location on 1-27-09.



Photo 2: #32201 Lagarto location on 2-20-09 with site restoration in progress.

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VI. Photographs



Photo 3: Site restoration at #32201 Lagarto cased well.



Photo 4: Borehole P1-07-1-20 location on 3-19-08.

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VI. Photographs



Photo 5: Site restoration at borehole P1-07-1-20 on 2-20-09.



Photo 6: Borehole P1-07-JN18 on 3-19-08.

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VI. Photographs

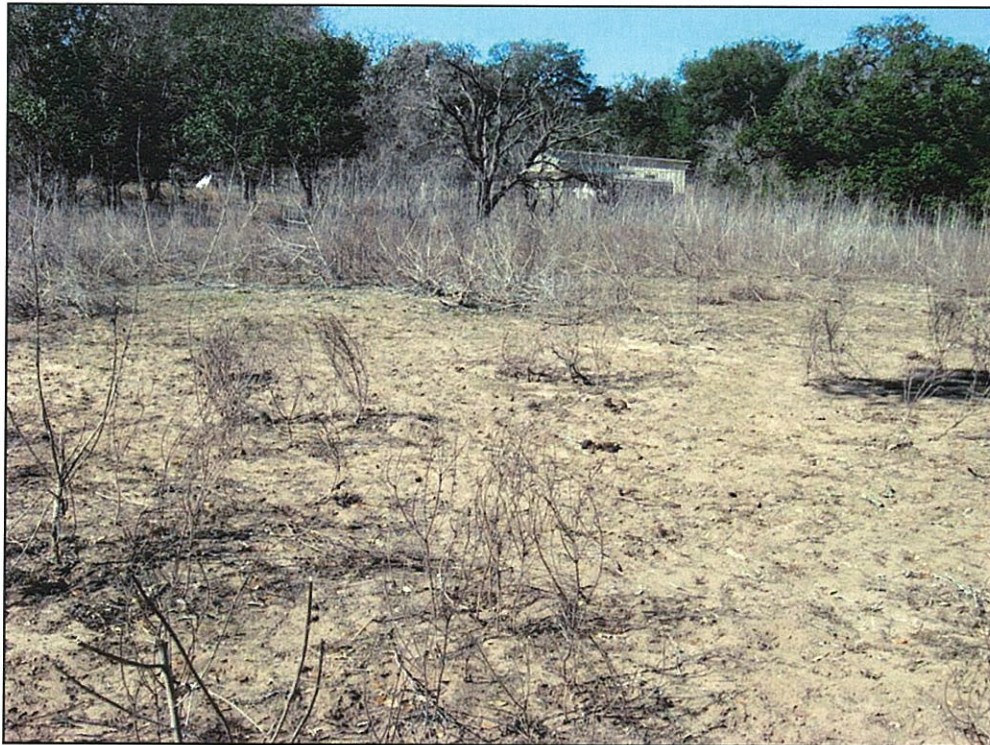


Photo 7: Borehole P1-07-JN18 location on 2-20-09.



Photo 8: Borehole P1-07-3.75-12 on 2-12-09.

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VI. Photographs



Photo 9: Borehole P1-07-3.75-12 on 2-20-09.